

**NASA**  
**OPERATIONS MANAGEMENT COUNCIL**  
**Meeting Minutes and Actions**

**VITAL MEETING DATA**

**Date:** April 21, 2006

**Time:** 8:30 a.m. – 3:15 p.m., EDT

**Location:** NASA Headquarters, Room 3H46

**Agenda:** See attached

**Attendance:** See attached

**MEETING ACTIVITIES**

Deputy Administrator Shana Dale opened the meeting at 8:30 a.m. and introduced the new Associate Deputy Administrator, Eric Sterner.

**Minutes, Actions, and Other Information:**

Minutes for the OMC Meeting on February 17, 2006 were approved as published.

The following open actions and recommendations from the January 12<sup>th</sup> meeting were presented:

- Workforce Actions 1 through 8: Status will be reported during the Uncovered Capacity Reduction Team Presentation
- Action 10: Office of Program Analysis and Evaluation (PA&E) develop framework for Institutional Implementation Plan in conjunction with the Mission Support Offices
  - Deadline: March 1, 2006
  - Status: Activity on this action has been superseded by the activities resulting from the Mission Support Offsite Meeting held February 28 – March 1, 2006. The Mission Support Implementation Plan development is being led by the Office of Infrastructure and Administration with support from the Office of Program Analysis and Evaluation. More detail on the process is included in the Mission Support Implementation Plan presentation on today's agenda. In the meantime, it was agreed that this action should be closed.

In addition, the following open actions and recommendations from the February 17<sup>th</sup> meeting were presented:

- Systems Engineering and Institutional Transition (SEIT) Infrastructure and Workforce Actions 1 through 6 and 8: Actions are in progress and on target for their future due dates.
- SEIT Workforce Action 7: The results will be presented at this meeting and this action will be recommended for closure.
- Action 9: The Office of Safety and Mission Assurance (OSMA) is to evaluate the potential for using Center Management and Operations (CM&O) accounts for funding OSMA activities at the Centers.
  - Deadline: Next OMC meeting (today).

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- Status: Jim Lloyd presented the results of a review performed by OSMA to determine current source of funding for Center activities and recommendations for the future. Currently, Center funding methods vary among direct funding, service pools, Center G&A (now CM&O), and technology funds. Lloyd stated that discussions with the Center Safety and Mission Assurance Managers are continuing in order to determine if a single allocation method should be adopted for all, but that no final agreement has been reached. He recommended that no decisions be made at this time so that more work can be done, especially given the recent discussions with the Administrator regarding the elimination of all service pools. As a result, it was agreed that this action should be closed, but that OSMA will continue to work the funding options.

The schedule for OMC meetings through June was presented (all meetings at NASA Headquarters):

- Thursday, May 11<sup>th</sup> (subsequently cancelled)
- Thursday, June 8<sup>th</sup> (subsequently cancelled)
- Wednesday, June 28<sup>th</sup> (will be held at NASA Headquarters)

**First Item of Business:** Integrated Enterprise Management Program (IEMP)

Bobby German, IEMP Program Manager, introduced the three major topics being presented at the meeting: Update of IEMP Projects, Human Capital Information Environment (HCIE), and Integrated Asset Management (IAM). German presented the program update, summarized as follows:

- The program recently implemented three new modules (Recruitment One-Stop, Agency Labor Distribution System, and Project Management Improvement Initiative) and has five major projects in various stages of pre-formulation, formulation, or development (SAP Version Update, Contract Management, E-Travel, Integrated Asset Management, and Aircraft Management Module).
- At the March Program Management Council (PMC) meeting, PA&E's Independent Program Assessment Office (IPAO) provided the results of their review and 13 recommendations for improvements. The action resulting from that meeting is for IPAO to develop a recommended governance model for IEMP. This will be helpful because the program does not report to a mission directorate and although it falls within the scope of NASA Procedural Requirements (NPR) 7120.5, it is substantially different from a "typical" program governed by the PMC.
- The program requirements have been baselined but frequent scope changes and lack of an Agency adjudicating body to provide guidance regarding priorities have created many management challenges.

German expressed concern regarding the earlier discussion about eliminating service pools. If that change needs to be made for the FY 2007 execution year, there could be serious impacts to existing projects, particularly the SAP Version Update project. Further discussion highlighted the need for a clear program baseline and an improved process for requirements changes to be priced and prioritized. The IPAO and IEMP have been discussing the possible establishment of a business

panel that could serve as a governing entity. Deputy Administrator Dale agreed, stating that the OMC should be the decision-making body for IEMP requirements and priorities, but that issues should be worked at a lower level first.

**Action:** PA&E will develop a proposal for a “pre-board” working group to review IEMP requirements and make recommendations about prioritization to the OMC. The scope of this working group should also include other issues that need to be previewed before coming to the OMC for decision.

**Deadline:** Next OMC Meeting.

Candace Irwin of the Office of Human Capital Management presented the HCIE briefing, summarized as follows:

- The HCIE project is requesting approval to proceed to the formulation phase with an estimated completion of formulation in late July 2006 and an estimated cost of less than \$1 million (already in the budget).
- The purpose of the project is to integrate data from agency-wide Human Resources systems and other business systems with the IEMP Business Systems Data Warehouse, delivering comprehensive information to all stakeholders through a single portal with a self-service front-end. Deployment of HCIE will result in elimination of many of the approximately 75 separate human capital systems across the Centers.
- The system will provide access to near-real-time data and workforce forecasting tools to enable planning, employee development, and program decision-making.
- During the formulation phase, the requirements will be refined and a cost estimate for the project will be developed.

During the discussion, concern was expressed that although the benefits of HCIE appear to be high, giving the go-ahead on this project without understanding what’s being asked of IEMP as a total program (e.g., change requests and associated cost impacts) is risky. There was further discussion that the “pre-board” working group discussed above could be useful to help flush out requirements and provide a better overall picture of the IEMP program in totality. It was explained that the development of more concrete requirements for HCIE will occur during the formulation phase.

**Decision:** Authorization to proceed to the formulation phase was granted to the HCIE project.

Olga Dominguez, Assistant Administrator for Infrastructure and Administration (Acting), presented the IAM briefing, summarized as follows:

- The IAM project is requesting approval to proceed to the formulation phase with an estimated completion in late September 2006. Estimated cost of the formulation phase was not available, but it will be done within available resources.
- This project was descoped from the original plan, due to the high estimated cost (~\$500 million) of implementing all of the requirements. The new scope focuses on personal property and equipment (PP&E): functional management, accounting, and disposition.

- Aircraft management, which was a part of the original scope, is now being implemented as a separate IEMP project utilizing the NASA Aircraft Management Information System (NAMIS). Other functionality may be implemented in smaller modules at a later date.
- Six options for PP&E management were considered; two are being recommended for further study before a selection is made: 1) utilize the Department of Energy/Oak Ridge National Laboratory model of SAP/PP&E (estimated cost - \$20 million); or 2) develop and implement the NASA-licensed SAP/PP&E (\$30 million). The estimated cost includes Center implementation costs.
- The business case is 90 percent complete and it concludes that the DOE solution is the lowest risk and cost, with the SAP version a close second. Decision will be made during the formulation phase.
- Integration of either module with our financial system will be a key issue.
- NASA Center representatives have been impressed with the DOE version, which was implemented in October 2005 and has not encountered any major problems or resistance from its users.

Further discussion focused on the advantages of the “plug and play” aspects of the DOE model. Dominguez also stated that the disposition module meets the federal requirements and its features will assist in the upcoming Shuttle transition activities.

**Decision:** Authority to proceed to the formulation phase was granted to the IAM project.

## **Second Item of Business:** Mission Support Implementation Plan

Olga Dominguez presented an overview and status of the Mission Support Implementation Plan (MSIP) activity resulting from the Mission Support Offsite held on February 28 – March 1, 2006, summarized as follows:

- The MSIP will lay out NASA’s institutional goals and objectives, show alignment of mission support activities to Agency strategic goals, help set investment and funding priorities, and include performance measures for self-evaluation.
- The MSIP will be an 8-10 page summary document with appendices for the Integrated Product Team (IPT) deliverables in five major areas of emphasis: workforce, infrastructure, finance, management systems, and stakeholder commitment.
- The Mission Support Offices (MSOs) submitted information regarding goals, objectives, and budgets, which the IPTs are considering in the development of their draft goals, sub-goals, objectives, risks, and issues.
- White Papers will be sent to the MSOs, Mission Directorates and Centers for review.
- The MSIP (including appendices) and requirements document are scheduled for completion by June 1, 2006 (this date has since been extended to July 31<sup>st</sup>).

*No decisions or action resulted from this item.*

**Third Item of Business:** Uncovered Capacity Reduction Team Status

Howard Ross of PA&E presented the status of the Uncovered Capacity Reduction Team (UCRT) activity, addressing the following actions from the January 12<sup>th</sup> and February 17<sup>th</sup> OMC meetings:

**Action 1 (1/12/06):** PA&E will lead a cross-Agency team to determine the feasibility of moving the work identified on the directed-work candidate list, and, working with the Center and Mission Directorate representatives, develop other potential candidates for directed work transfers. Make recommendations as to which work should be transferred.

**Status:** Open. Positive progress has been made in placing work from the directed-work candidate list at Ames Research Center (ARC), Glenn Research Center (GRC), and Langley Research Center (LaRC). The UCRT will continue to monitor progress and report the status until the overall action is closed.

**Action 2 (1/12/06):** Mission Directorates, in consultation with Ames Research Center, Glenn Research Center (GRC), and Langley Research Center (LaRC), will identify potential work (new, existing, or transferred) that could be performed by retrained employees (especially at ARC, GRC, and LaRC); ARC, GRC, and LaRC shall develop retraining plans as needed to ensure the necessary skills are acquired to successfully perform the work.

**Status:** Open. Ross presented the status of the uncovered capacity situation. He presented the results of previous and current reach-out efforts by programs and Mission Directorates to identify potential work packages and match them to available Center capabilities. Decisions on the work packages will continue to be made as appropriate, but the schedule for final decisions is commensurate with the budget decisions currently planned for July.

**Action 2A (2/17/06):** The Exploration Systems Mission Directorate (ESMD) and GRC are to present status of having GRC assume a significant role in the Servicing Module project.

**Status:** Closed. ESMD will discuss this action with the Deputy Administrator in conjunction with other decisions to be made regarding assignment of work to Centers.

**Action 2B (2/17/06):** ESMD is to meet with the Deputy Administrator to discuss plans for the ECANS project and potential roles for GRC and/or other Centers.

**Status:** Closed. ESMD will discuss this action with the Deputy Administrator in conjunction with other decisions to be made regarding assignment of work to Centers.

**Action 3 (1/12/06):** The PA&E-led team will continue to investigate the feasibility of reassigning small numbers of people to Centers with funded work, after other options have been exhausted. As in Action 2, “receiving” Center Directors should identify the associated retraining needed for these people.

**Status:** Open. Work on this action has been deferred until other actions have been completed.

**Action 4 (1/12/06):** PA&E will lead/coordinate the HQ review of the work packages not accepted or withdrawn under the Cabana/Stegemoeller Study and identify those for reconsideration by the Mission Directorates and/or the Associate Administrator.

**Status:** Open. Final decisions on these packages will be made in July in conjunction with the other work package decisions in Action 2.

**Action 5 (1/12/06):** Office of Strategic Communications include a discussion of the direct link between non-programmatic earmarks and increased uncovered workforce as a part of their message to the Hill regarding the impact of earmarks on NASA programs and people.

**Status:** Closed. The impact of earmarks was discussed in NASA testimony.

**Action 6 (1/12/06):** PA&E add an option to the Workforce Issue Paper to pursue additional reimbursable work, to the extent that it is aligned with NASA's overall mission, and examine the potential impact of increased reimbursable work on the number of uncovered civil service FTE.

**Status:** Open. PA&E's portion of the action is complete; the Science Mission Directorate's (SMD) discussion on National Science Foundation barriers has begun.

**Action 7 (1/12/06):** LaRC set up a separate meeting with Roe, Porter, Morrell, Geveden, Davis, Chase, and other appropriate personnel to discuss the status of the LaRC technician workforce and associated issues.

**Status:** Closed. This discussion has occurred.

**Action 8 (1/12/06):** PA&E document decisions, maintain ongoing count of uncovered capacity, develop a schedule, track progress, and provide updates at every OMC meeting until final disposition of uncovered workforce is made.

**Status:** Open. Progress was reported at this meeting and will continue for every OMC meeting until the actions are complete.

*No decisions or new actions resulted from this item.*

#### **Fourth Item of Business:** Workforce Strategy

Toni Dawsey, Assistant Administrator for Human Capital Management, presented the workforce goals and objectives, summarized as follows:

- The goals and objectives align with the Agency's strategic plans and programs and have been developed as a result of a comprehensive effort across all NASA Centers.
- There are three goals:
  - Integrate Agency-wide workforce planning processes with program and business planning to ensure a flexible, mission-aligned workforce at 10 healthy Centers.
  - Optimize mission performance through strategies designed to strengthen technical excellence and leadership capabilities of the NASA workforce.
  - Deliver real time information to managers and staff through a seamless system integrated with Agency business processes to support workforce decision-making.
- Objectives and sample activities at the task level were presented.
- Progress toward achieving the goals has been made at the Centers in several areas, including mentoring, pipeline development, and automation tools.
- An integrated project management approach will be used to manage and monitor existing and planned tasks to enable successful achievement.

A demonstration of the automated accountability tool was presented, which will assist in tracking and follow-through. Discussion included a clarification that the tool is a commercial product that can be offered to other teams.

*No decisions or actions resulted from this item. The SEIT Workforce Action 7 from the February 17<sup>th</sup> OMC meeting is closed.*

The Deputy Administrator departed the meeting at 12:55 p.m. Associate Administrator Rex Geveden chaired the remainder of the meeting.

#### **Fifth Item of Business:** Internal Controls

An update of the following open actions from previous meetings was presented:

**Action:** The OCE will take the lead on coordinating and developing a description for the Contract Management deficiency, root cause, corrective actions, and recommended categorization and present results to the OMC. The OCE also has the lead for coordinating and presenting these results in response to GAO's rating of NASA Contract Management on their government-wide high risk list.

**Status:** OCE stated that they did not believe the action was properly assigned to them. Rex Geveden reaffirmed that the action belonged to the OCE and that it needs to be completed as soon as possible. A status should be provided at the next OMC meeting. (Since that time, the OCE has developed an approach to accomplishing this action and obtained approval from the Associate Administrator and Deputy Administrator, as well as concurrence from the Inspector General's office.)

**Action:** The OGC will set up a meeting with the OIG and Procurement to plan the implementation of a Procurement Integrity Program, and present results and status to the Deputy Administrator and Chief of Staff before the next OMC meeting.

**Status:** Closed – Meeting with the Deputy Administrator occurred on March 6<sup>th</sup>.

**Action:** The OCE will develop proposed changes to NASA Procedural Requirements (NPR) 7120.5 to incorporate early program/project cost estimates, and will bring to the Program Management Council for approval by March 31, 2006. The deadline for this OMC action is extended to July 31, 2006 to coincide with the NPR 7120.5 update schedule.

**Status:** Open

**Action:** PA&E will meet with the IG and discuss the proposal for a simplified approach to implementing the full cost requirement. Deadline for this action was before the February 17th OMC meeting.

**Status:** Closed – Meeting occurred on February 15th

The status of the following deficiencies was presented:

**Asset Management** – Terry Bowie, Deputy Chief Financial Officer, presented the status of this Material Weakness. Actions since the last quarter include the establishment of the Plant Property and Equipment (PP&E) Compensating Controls Group, definition of asset categories, submission of the draft Theme Assets Capitalization policy paper, and documentation of business processes. Planned activities for next quarter include finalizing the capitalization policy, re-engineering current PP&E lifecycle management processes and procedures as necessary, and developing process implementation plans for Agency-wide changes.

**Financial Management System** – Terry Bowie presented the status of this Material Weakness. Actions since the last quarter include development and test of the Statement of Net Costs report and completion of the SAP Version Update (SVU) Project Preliminary Design Review. Planned activities for the next quarter include updates to financial reporting requirements for the FY2006 Performance and Accountability Report and participation in the SVU Critical Design Review.

**Financial Management Data Integrity** – Terry Bowie presented the status of this Material Weakness. Updates since the last quarter include implementation of an automated tool to support Funds Balance With Treasury (FBWT) reconciliation and other related activities. Planned activities for next quarter include development of standard operating procedures for the analysis and review of FBWT and assessment of the Unfunded Environmental Liabilities internal controls, cost estimation and data gathering procedures.

**Financial Management Policy and Procedures** – Terry Bowie presented the status of this Management Challenge. Updates since the last quarter include publishing Financial Management Requirements (FMR) documents for Cash Management and Payroll. Planned activities for the next quarter include publishing FMR documents for Budget Formulation, Reimbursables, Information Systems, and Overview.

**Financial Management Staffing** – Terry Bowie presented the status of this Management Challenge. Updates since the last quarter include the hiring of 50 full-time equivalents (FTE) at NASA Centers. Planned activities for the next quarter include requesting authorization to fill remaining vacancies and performing a “needs assessment” and developing a training plan for the OCFO.

**Full Cost Integration** – Terry Bowie presented the status of this Other Weakness. Updates since the last quarter include completion of the Full Cost Assessment, development and approval of recommendations from the Full Cost Reform Team, and incorporation of the new full cost policies in the FY2008 budget guidance documents. Planned activities for the next quarter include planning for implementation of the full cost recommendations in FY2007.

**Space Shuttle** – Michael Hawes of the Space Operations Mission Directorate (SOMD) presented the status of this Material Weakness. Updates since the last quarter include successful wind tunnel foam testing. Planned activities for the next quarter include activities leading up to the launch of the second Return to Flight mission in July.

**Shuttle Impact on ISS Operations** – Michael Hawes presented the status of this Management Challenge. Updates since the last quarter include a crew transfer activity and assurance of enough



food, water, and oxygen for the crew. Discussion of the status led the Associate Administrator to conclude that proper steps have been taken to close this deficiency.

**OMC Decision:** Shuttle Impact on ISS Operations is removed as a Management Challenge.

**Information Technology Security** – Scott Santiago, Deputy CIO for Information Technology (IT) Security presented the status of this Other Weakness. Corrective actions taken to date include improved incident reporting and tracking and establishment of centrally-managed network monitoring and security services. Planned activities for the next quarter include approval of NPR 2810 and insertion of new IT security clause in all contracts.

**Declassification Review Process** – Steve Payton, Office of Security and Program Protection, presented the status of this Management Challenge. Updates since the last quarter include discovery of additional boxes of documents that need to be processed and an agreement with the Mission Directorate representatives on a new work plan that will increase the number of boxes reviewed on a weekly basis. Review and declassification activities will continue through the next quarter, and it is still expected that the December 31, 2006 deadline will be met.

**Government Accountability Office (GAO) Open Audit Recommendations** – Olga Dominguez presented the status of this Management Challenge. Updates since the last quarter include continued progress in reducing the 58 open GAO recommendations (42 issued more than one year ago). Corrective action has been completed and GAO closure has been requested on 24 recommendations. Planned activities for the next quarter include specific emphasis on working down the recommendations open for more than one year. Rex Geveden suggested that the Deputy Administrator may want to see monthly status on the open recommendations to increase visibility into this important activity.

**Mission Management Aircraft** – Joe Walker, Director of the Aircraft Management Division, presented the status of this Other Weakness. Updates since the last quarter include initiation of a review of alternatives to government ownership of mission management aircraft. Planned activities for the next quarter include the implementation of the NASA Aircraft Management Information System and issuance of policy necessary to implement required aircraft cost accounting changes.

**OMC Action:** Internal controls presenters will show the status of their deficiencies against the approved Corrective Action Plan in the Corrective Action Tracking System (CATS), including progress against milestones and explanations of any variances.

**Deadline:** Initiate new reporting structure at the next Internal Controls quarterly meeting (July 2006).

## **Sixth Item of Business** – Open Discussion

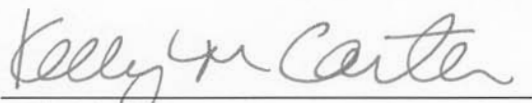
Rex Geveden opened the floor to the OMC membership to provide suggestions for future OMC topics or feedback about the meetings. The following topics were discussed:

- A concern was raised about the executive pay policies and procedures recently issued by NASA Headquarters; a suggestion was made that future guidance be pre-briefed to the OMC to ensure it's clearly understood. More information will be gathered about this issue and it will be considered for future discussion.
- Suggestions were made to increase the value of the OMC meetings: more decisional topics, fewer informational briefings, possibility of utilizing ViTS capability more often, and holding OMC meetings at different Centers. Pros and cons were discussed, but there was general agreement that rotating the meetings occasionally to Centers was a good idea and should be explored further.
- A concern was raised about unfunded mandates and the difficulty the Centers have in absorbing the costs of them. It was agreed that this would be a good topic for a future OMC meeting.

**Closing Remarks:** The Associate Administrator and Executive Secretary reviewed the decisions and actions assigned during the meeting.

*The Council ended its meeting at 3:10 p.m.*

Prepared by:



Kelly M. Carter  
Executive Secretary, Operations Management Council  
Office of Program Analysis & Evaluation

Approved by:



Dr. Scott N. Pace  
Associate Administrator,  
Office of Program Analysis & Evaluation

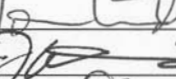

**Agenda**  
**Operations Management Council**  
**April 21, 2006**  
**NASA Headquarters**  
**MIC-3, Room 3H46**

8:30	Opening Remarks	Shana Dale
8:35	Action Status Review (non-Internal Controls actions)	Executive Secretary
8:45	IEMP <ul style="list-style-type: none"><li>• Human Capital Information Environment Business Case (Decision)</li><li>• IEMP Update/Project Status</li><li>• Asset Management Project Formulation (Decision)</li></ul>	Candace Irwin Bobby German B. German/O. Dominguez
10:15	Mission Support Implementation Plan	Olga Dominguez
11:15	Uncovered Capacity Reduction Status	Howard Ross
11:45	Break to pick up lunch	
12:00	Workforce Strategy (Action from last OMC & Offsite)	Toni Dawsey
1:00	Internal Controls Quarterly Status	Olga Dominguez
3:00	Open Discussion regarding future OMC topics	All
3:15	Summary of Actions	Executive Secretary

# OMC MEMBERS

Operations Management Council  
NASA Headquarters  
Room 3H46

April 21, 2006

Title	Name	Signature
Deputy Administrator	Shana Dale	
Associate Administrator	Rex Geveden	
Chief of Staff	Paul Morrell	
PA&E AA	Scott Pace	
ESMD AA	Tom Cremins for	
SOMD AA	Mike Hawes for	
SMD AA	Roy Maizel for	
ARMD AA	Jay Henn for	
Chief S&MA	Jim Lloyd for	
Chief Financial Officer	Terry Bowie for	
Chief Information Officer	Pat Dunnington	
Chief Engineer	Greg Robinson for	
General Counsel	Michael Wholley	
Institutions & Mgmt. AA	Tom Luedtke (Acting)	
Strategic Commun. AA	Joe Davis	
Chief Health & Medical Off.	Rich Williams	
Infrastructure & Admin. AA	Olga Dominguez (Acting)	
ARC CD	Tom Moyles for	
DFRC CD	Gwen Young for	
GRC CD	Bob Fails for	
GSFC CD	Krista Paquin for	
JPL CD	Dale Johnson for	
JSC CD	Bob Cabana for	
KSC CD	Jim Hattaway for	
LRC CD	Cindy Lee	
MSFC CD	Robin Henderson for	
SSC CD	David Larstens for	
Executive Secretary	Kelly Carter	

## Presenters and Other Attendees

## Operations Management Council

## NASA Headquarters

Room 3H46

**April 21, 2006**

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